

DIGITALEUROPE Views on Reuse and Repair

Brussels, 22 March 2017

A circular economy for consumer electronics is already here

As Green Alliance¹ puts it: "*A circular economy for consumer electronics is already here. ... the value of Apple devices sold on eBay in the US in 2013 was nearly \$2 billion. ... WRAP estimated in 2013 that the value of two to three year old laptops in the UK was £720 million and two to three year old tablets were worth £90 million after any collection and repair costs were taken into account.*" Although no recent and comprehensive figures are available for all electrical and electronic equipment, these quotes give an impression of the size of a well-established reuse market. This market would not exist if the devices were not reusable.

The objective of this leave-behind paper is to explain the difference between reuse and preparation for reuse in the electronics sector as well as the complexity of operations that support reuse of goods.

Reuse and supporting operations

Reuse is defined in the Waste Framework Directive (WFD) (Art. 3.13) as any operation by which products or components that are not waste are used again for the same purpose for which they were conceived. One can traditionally think about reuse when products are further traded / shifted ownership, through channels like online or second hand shops / platforms, donations, etc. It is a (commercial) activity that has nothing to do with waste. **Therefore, reuse should not be addressed / regulated under waste legislation.**

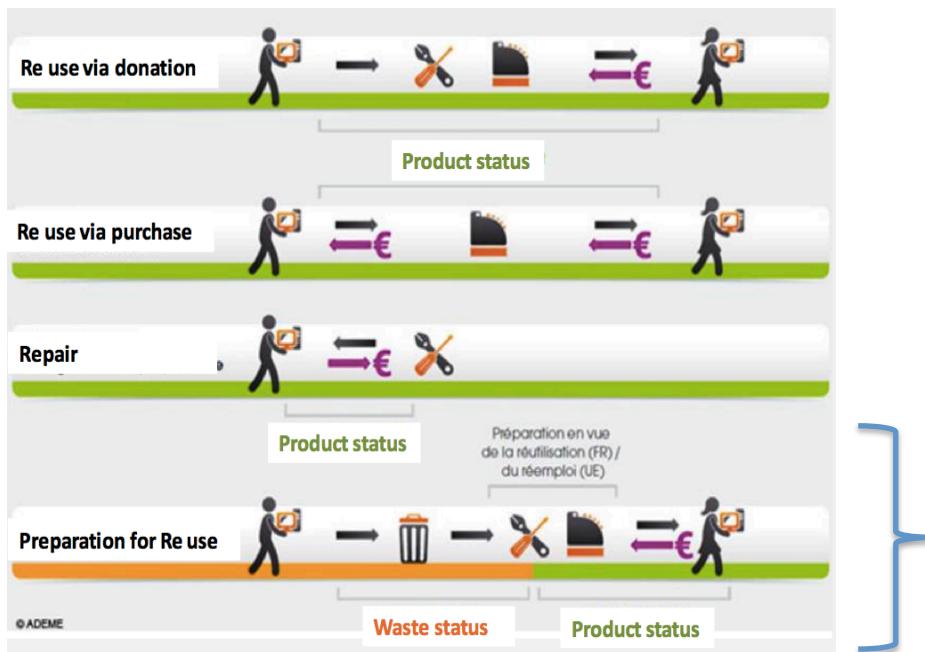
At the same time, there is a multitude of organisations engaged in reuse of EEE. This reuse community is rather diverse, encompassing companies/organizations performing repair on (used) goods as social enterprises, commercially operating refurbishment companies, platforms/repair facilitators, traders of used EEE and spare part brokers. Producers of EEE belong to this broader community of reuse providers. Equipment manufacturers are performing repairs of their products or have repair organisations contracted to do so in their name in a highly professional way.

Product quality, safety and reliability are crucial to DIGITALEUROPE members. Repair usually requires specialised training and equipment. Careful authorization and control of repair facilities in relation to warranties is provided to ensure sufficient protection of consumers in terms of quality of repairs and product safety. Manufacturers usually perform repairs of their products or have repair organisations contracted to do so in their name. This can be under warranty or beyond. The authorised repair centres have a contractually defined relation with the producer with regard to **confidentiality, quality of service and reliability**. Manufacturers encourage interested parties to engage in these programs.

¹ <http://www.green-alliance.org.uk/resources/A%20circular%20economy%20for%20smart%20devices.pdf>

Reuse vs preparation for reuse

Preparation for reuse is a process defined in the Waste Framework Directive (Art. 3.16) as “*checking, cleaning or repairing recovery operations, by which products or components of products that have become **waste** are prepared so that they can be re-used without any other pre-processing*”. Preparing for reuse activities therefore involve equipment that has been discarded, hence has **passed the doorstep of a collection point**. These operations are also often executed by specialised centres that prepare for reuse. This is recognised in the WEEE Directive, in particular in Art.15. Since reuse happens **before** items become waste, reuse is clearly not part of the preparation for reuse process.



Access to spare parts and repair information

DIGITALEUROPE member companies put products on the market that are repairable. A customer wanting to repair or reuse the product can do so. Manufacturers should have the possibility to define a repair path based on complexity, safety, environmental and quality considerations. With a market driven trend to thinner and lighter products, replacement of components in highly integrated electronics is not trivial and requires prior technical training. Consequently, DIGITALEUROPE recommends that manufacturers be allowed the option for certified and authorised service operators to be the sole provider of repair services on their products. A customer wanting to get a repair outside of the pre-defined repair path should have the option only if it does not impact the safety of the end user, the quality of the product, the liability of the manufacturer or the warranty provided.

Obliging producers to share confidential information and proprietary tools with non-contractually bound entities would create unacceptable liability and IPR issues. If repairs are not conducted correctly, **manufacturers may be liable and customer satisfaction will be impacted**, while manufacturers

cannot control the repair operation. Working with authorised partners ensures that they have adequate training, skills and meet the desired levels of quality.

Making spare parts and product information publicly available to all end-users and repair shops also invites fraud and counterfeit products being put on the market (e.g. it is possible for a company to build competing products out of proprietary components). Such practices directly undermine manufacturers' competitiveness and ability to market new products and technology. It will also have negative impacts both on customers and the environment if repairs are not conducted correctly.

Reuse costs

It would be inappropriate to put "reuse" targets on producers, let alone for producers to be required to subsidise the costs of (preparation for) reuse organisations. Many repair and refurbishment centres are commercial businesses. In addition, producers have established their own reuse systems to repair and refurbish used products. Adding (preparation for) reuse costs to EPR would undermine the current economic realities and business practices.

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ABOUT DIGITALEUROPE

DIGITALEUROPE represents the digital technology industry in Europe. Our members include some of the world's largest IT, telecoms and consumer electronics companies and national associations from every part of Europe. DIGITALEUROPE wants European businesses and citizens to benefit fully from digital technologies and for Europe to grow, attract and sustain the world's best digital technology companies.

DIGITALEUROPE ensures industry participation in the development and implementation of EU policies. DIGITALEUROPE's members include 61 corporate members and 37 national trade associations from across Europe. Our website provides further information on our recent news and activities: <http://www.digitaleurope.org>

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Estonia: ITL

Finland: TIF

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Italy: ANITEC

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Romania: ANIS, APDETIC

Slovakia: ITAS

Slovenia: GZS

Spain: AMETIC

Sweden: Foreningen

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Switzerland: SWICO

Turkey: Digital Turkey Platform,

ECID

Ukraine: IT UKRAINE

United Kingdom: techUK